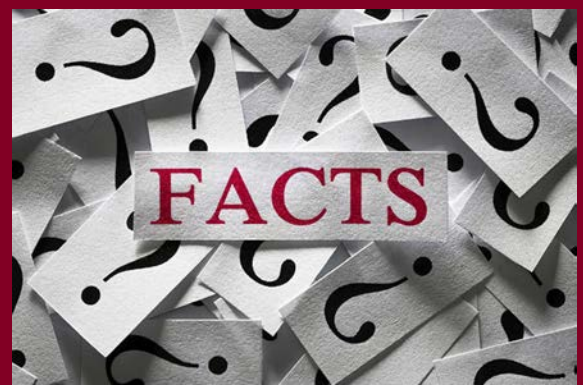
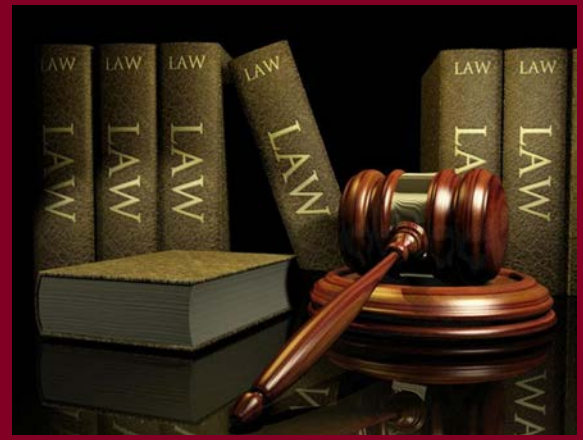




DIVISION OF INSPECTOR GENERAL
Ken Burke, CPA
Clerk of the Circuit Court and Comptroller
Pinellas County, Florida



FOLLOW-UP INVESTIGATION OF THE EMERGENCY MANAGEMENT PETTY CASH FUND SHORTAGE

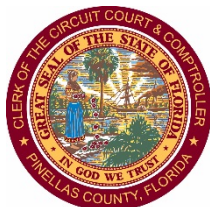


Hector Collazo Jr. - Inspector General/Chief Audit Executive

Investigation Team

Melissa Dondero, CPA, CIA, CIG, CIGA, CIGI, CITP, CRMA, CFS – Assistant Inspector General
Deborah Weiss, CIGA, CIGI, CFS – Senior Inspector General

REPORT NO. 2019-02
MARCH 7, 2019



Ken Burke, CPA

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PINELLAS COUNTY, FLORIDA

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March 7, 2019

Catherine Perkins, Director, Emergency Management

We have conducted a Follow-Up Investigation of the Emergency Management Petty Cash Fund Shortage. The objective of our review was to determine the implementation status of our previous recommendation.

Of the one recommendation contained in the original investigative report, we determined that the recommendation has been implemented. The status of the recommendation is presented in this follow-up review.

We appreciate the cooperation shown by the staff of Emergency Management during the course of this review.

Respectfully Submitted,

Hector Collazo Jr.
Inspector General/Chief Audit Executive

cc: Ken Burke, CPA, Clerk of the Circuit Court and Comptroller
Claretha Harris, Chief Deputy Director, Finance Division



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INTRODUCTION

Scope and Methodology

We conducted an investigative follow-up of the Emergency Management Petty Cash Fund Shortage. The purpose of our follow-up review was to determine the status of the previous recommendation for improvement.

The purpose of the original investigation was to investigate a petty cash fund shortage in the amount of \$140.

To determine the current status of our previous recommendation, we surveyed and/or interviewed management to determine the actual actions taken to implement the recommendation for improvement. We performed limited testing to verify the implementation of the recommendation for improvement.

Our investigative follow-up was conducted in accordance with the *Principles and Standards for Offices of Inspector General* and *The Florida Inspectors General Standards Manual* from The Commission for Florida Law Enforcement Accreditation, and accordingly, included such tests of records and other investigative procedures, as we considered necessary in the circumstances. Our follow-up testing was performed during the month of January 2019. The original investigative period was November 27, 2017, through January 31, 2018. However, transactions and processes reviewed were not limited by the investigative period.

Overall Conclusion

Of the one recommendation in the report, we determined that the recommendation was implemented. We commend management for implementation of our recommendation.

Implementation Status Table

FIC NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS				
		Implemented	Acceptable Alternative	Partially Implemented	Not Implemented	No Longer Applicable
1	<i>There Are Weak Internal Controls For The Security Of The Petty Cash Fund.</i>					
	Increase the security of the cash box. This could include obtaining a locking cash box, ensuring the keys to the new box remain only in the possession of the custodians, and changing the storage location of the cash box to a more secured area.	✓				

Background

On January 11, 2018, the Division of Inspector General (IG) received a phone call from the Custodian of the Emergency Management Petty Cash Fund indicating a substantial shortage was discovered during their fund verification. The IG staff conducted a count of the petty cash funds. The count confirmed a cash shortage of \$140 as reported by the Custodian. The last verification of this petty cash fund was conducted on November 27, 2017. The next verification would have transpired at the end of December 2017, but the Custodian was on vacation at the time. The petty cash fund was audited by the IG in October 2017, and was found to reconcile sufficiently, and petty cash procedures were being followed.

The IG staff obtained copies of the Custodian's incident reports submitted to the Finance Division, Risk Management, and the Pinellas County Sheriff's Office. Based on the submitted reports, the disappearance of the funds could have transpired at any time after the November 27, 2017, verification. Due to the lack of timeline, evidence, forensics, witnesses, or video surveillance, there was no further investigation into the missing funds. However, we noted an issue during our investigation, which is detailed below.

STATUS OF RECOMMENDATION

This section reports our investigative follow-up on actions taken by management on the recommendation for improvement in our original investigative report of the Emergency Management Petty Cash Fund Shortage. The recommendation contained herein is that of the investigative report, followed by the current status of the recommendation.

1. There Are Weak Internal Controls For The Security Of The Petty Cash Fund.

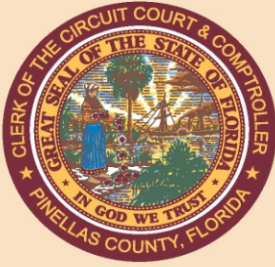
We reviewed the security measures implemented by the Emergency Management Department with regard to the petty cash fund. Emergency Management is located in the Public Safety Complex, which is a highly secured building. The Custodian's office (cubicle) has a door, but does not have a locking mechanism. The office is open to all employees and visitors to the Department. At the time of this incident, the Custodian's normal process would be to keep the cash box in a three drawer locking cabinet, but the three drawer cabinet is left unlocked during the day when the Custodian is on-site. The Custodian would lock the drawer when leaving for the evening. The cash box does not have its own locking mechanism. The backup key is left in another employee's office, which is left unlocked at all times. The entire staff was familiar with the location of the backup key.

Best practices and internal controls specify cash should be maintained in a locked environment during non-business hours and that the access to the areas where the cash is stored be limited to only those employees who need access and/or have been designated to have access. During business hours, the money should be in a locked environment or under the complete control of the custodians.

We Recommended Management increase the security of the cash box. This could include obtaining a locking cash box, ensuring the keys to the new box remain only in the possession of the custodians, and changing the storage location of the cash box to a more secured area.

Status:

Implemented. In February 2018, Emergency Management purchased a Stanley Solid Steel Biometric Personal Home Safe with fingerprint recognition. Authorized staff must access the safe with a security pin or manual key. On January 31, 2019, Inspector General staff conducted an unannounced on-site visit and observed the safe, security features, and secured location. During our on-site visit, Management stated the safe remains locked in the office cabinet when not utilized. Emergency Management's list of authorized staff for access to the safe is proper.



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